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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-83044; File No. 4-631]

April 12, 2018

Joint Industry Plan; Order Approving the Seventeenth Amendment to the National Market System Plan to Address Extraordinary Market Volatility by Cboe BZX Exchange, Inc., Cboe BYX Exchange, Inc., Cboe EDGA Exchange, Inc., Cboe EDGX Exchange, Inc., Chicago Stock Exchange, Inc., Financial Industry Regulatory Authority, Inc., Investors Exchange LLC, NASDAQ BX, Inc., NASDAQ PHLX LLC, The Nasdaq Stock Market LLC, NYSE National, Inc., New York Stock Exchange LLC, NYSE American LLC, and NYSE Arca, Inc.

I. Introduction

On February 26, 2018, NYSE Group, Inc., on behalf of the other parties<sup>1</sup> to the National Market System Plan to Address Extraordinary Market Volatility (the “Plan”), filed with the Securities and Exchange Commission (“Commission”) pursuant to Section 11A of the Securities Exchange Act of 1934 (“Act”)<sup>2</sup> and Rule 608 thereunder,<sup>3</sup> a proposal to amend the Plan.<sup>4</sup> The proposal represents the seventeenth amendment to the Plan, and reflects proposed changes unanimously approved by the Participants (“Seventeenth Amendment”). The proposed Seventeenth Amendment was published for comment in the Federal Register on March 21, 2018.<sup>5</sup> The Commission received no comment letters regarding the amendment. This order

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<sup>1</sup> Cboe BZX Exchange, Inc., Cboe BYX Exchange, Inc., Cboe EDGA Exchange, Inc., Cboe EDGX Exchange, Inc., Chicago Stock Exchange, Inc., the Financial Industry Regulatory Authority, Inc. (“FINRA”), Investors Exchange LLC, NASDAQ BX, Inc., NASDAQ PHLX LLC, The NASDAQ Stock Market LLC (“Nasdaq”), New York Stock Exchange LLC (“NYSE”), NYSE Arca, Inc., NYSE National Inc., and NYSE American LLC (collectively, the “Participants”).

<sup>2</sup> 15 U.S.C. 78k-1.

<sup>3</sup> 17 CFR 242.608.

<sup>4</sup> See Letter from Elizabeth King, General Counsel and Corporate Secretary, NYSE, to Brent Fields, Secretary, Commission, dated February 23, 2018. (“Transmittal Letter”).

<sup>5</sup> See Securities Exchange Act Release No. 82888 (March 15, 2018), 83 FR 12432.

approves the Seventeenth Amendment to the Plan as proposed.

## II. Description of the Proposal

In the Seventeenth Amendment, the Participants propose to extend the pilot period of the Plan from April 16, 2018 to April 15, 2019.

## III. Discussion and Commission Findings

The Commission finds that the Seventeenth Amendment is consistent with the requirements of the Act and the rules and regulations thereunder. Specifically, the Commission finds that the Seventeenth Amendment is consistent with Section 11A of the Act<sup>6</sup> and Rule 608 thereunder<sup>7</sup> in that it is appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, and that it removes impediments to, and perfects the mechanism of, a national market system.

The Participants propose to extend the pilot period for an additional year to April 15, 2019. As the Participants note, the twelfth and thirteenth amendments to the Plan<sup>8</sup> as well as the associated amendments to the Primary Listing Exchanges'<sup>9</sup> reopening procedures were implemented on November 20, 2017. The Participants state that an extension of the pilot period would provide additional time for the public, the Participants, and the Commission to assess the impact of modifications from the twelfth and thirteenth amendments to the Plan on market operations as well as to consider other potential modifications to the Plan including how NMS

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<sup>6</sup> 15 U.S.C. 78k-1.

<sup>7</sup> 17 CFR 242.608.

<sup>8</sup> See Securities Exchange Act Release Nos. 79845 (January 19, 2017), 82 FR 8551 (January 26, 2017) (approving the twelfth amendment to the Plan), 80455 (April 13, 2017), 82 FR 18519 (April 19, 2017) (approving the thirteenth amendment to the Plan).

<sup>9</sup> Unless otherwise specified, the terms used herein have the same meaning as set forth in the Plan.

Stocks are tiered under the Plan and the applicable percentage parameters associated with such tiers, the elimination of double-wide Price Bands at the open and close of trading, and recommendations made by the Equity Market Structure Advisory Committee with respect to Plan operations.<sup>10</sup>

The Commission believes that a one-year extension of the Plan will allow the Participants to continue their examination and analysis of the Plan's operation. Accordingly, the Commission believes that it is appropriate in the public interest, for the protection of investors and the maintenance of a fair and orderly market to approve the amendment to extend the pilot period until April 15, 2019.

For the reasons noted above, the Commission finds that the Seventeenth Amendment to the Plan is consistent with Section 11A of the Act<sup>11</sup> and Rule 608 thereunder.<sup>12</sup> The Commission reiterates its expectation that the Participants will continue to monitor the scope and operation of the Plan and study the data produced, and will propose any modifications to the Plan that may be necessary or appropriate.<sup>13</sup>

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<sup>10</sup> See U.S. Securities and Exchange Commission Equity Market Structure Advisory Committee, Recommendations for Rulemaking on Issues of Market Quality, dated November 29, 2016, available here: <https://www.sec.gov/spotlight/emsac/emsac-recommendations-rulemaking-market-quality.pdf>.

<sup>11</sup> 15 U.S.C. 78k-1.

<sup>12</sup> 17 CFR 242.608.

<sup>13</sup> See Securities Exchange Act Release No. 67091 (May 31, 2012), 77 FR 33498 (June 6, 2012).

IV. Conclusion

IT IS THEREFORE ORDERED, pursuant to Section 11A of the Act<sup>14</sup> and Rule 608 thereunder,<sup>15</sup> that the Seventeenth Amendment to the Plan (File No. 4-631) be, and it hereby is, approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>16</sup>

Brent J. Fields,  
Secretary.

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<sup>14</sup> 15 U.S.C. 78k-1.

<sup>15</sup> 17 CFR 242.608.

<sup>16</sup> 17 CFR 200.30-3(a)(29).

